hardships of the employee concerned, a decision was taken by them to treat the period of absence from 4.6.1985 to 31.12.1987 i.e. the period of conciliation proceedings, at par with the matters under investigation and the employee was extended some monetary compensation for subsistence as under:

1. 1/3rd of pay and allowances for first 3 months (from 4.6.1985);
2. 1/2 of pay and allowances for the next 9 months;
3. and thereafter full allowances for the remaining period upto 31.12.1987;
4. admissible leave for the period 1.1.88 to 31.12.89.

(c) No, Sir.

(d) Does not arise in view of (c) above.

RBI Guidelines for Loans to Medical Students of Private Colleges

140. SHRI GOVIND RAM MIRI: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has on 5th September, 1999, issued any policy guidelines to its subsidiary/Nationalized banks with regard to grant of loans to students of private medical/dental/ engineering colleges; and

(b) if so, the details along with the attached conditions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Reserve Bank of India (RBI) have reported that no policy guidelines with regard to grant of loans to students of private medical/dental/engineering colleges have been issued by them on 5th September, 1999. However, as per the Hon'ble Supreme Court's orders dated 27th July, 1999 on the Educational Loan Scheme submitted by RBI, RBI has issued a circular dated 31st July, 1999 to Public Sector Banks (excluding Regional Rural Banks) indicating policy guidelines for providing financial assistance to students seeking admission in Private Professional Colleges under free/merit and payment categories (in the discipline of medical, dental, engineering, chemical technology management, architecture, law, computer science and applications etc.) and who fulfil the eligibility criteria. The details of the scheme

which came into effect from 1st August, 1999 are given in the enclosed statement.

Statement

Educational Loan Scheme for Students in Private Professional Colleges

Objective: To provide financial assistance by way of loans to the meritorious and indigent students in order to encourage them to pursue the full time graduate/post graduate professional courses in Private Professional Colleges for developing the technical skills in the following disciplines i.e. Medical and Dental (all branches such as Allopathy, Ayurvedic, Homoeopathy, Unani), Engineering Chemical Technology, Management, Architecture including interior decoration, Law and computer Science & Applications (The scheme will be expanded to cover other professional courses, if any, if required).

Area of Coverage: Throughout the country to be implemented by public sector banks.

Eligibility Criteria: (i) Student should have secured admission in private professional college against either free/merit seat or payment seat. Student will have to submit a certificate to this effect from the Principal/Competent Authority of the college concerned. The college should be affiliated to a university in the country and the course should be recognized by the concerned governing body such as Indian Medical Council etc.

(ii) Student's annual family income (or that of his father or guardian) should not exceed Rs. 1 lakh from all sources. An affidavit to this effect will have to be furnished by the student and his father and in the absence of the father, by mother or other near relative (Students who have secured admission against quota of seats meant for NRI/foreign students will not be eligible for assistance under the scheme).

Loan Amount: Rs. 15,000/- for free/merit seat student and Rs. 50,000/- for payment seat students or the fees payable by the student whichever is less. Student will have to submit a certificate every year from the college authorities regarding fees payable by him. Loan amount will be remitted by the lending bank to the college

concerned. Loan granted in each academic year may be treated as a separate loan account for determining rate of interest, security etc. (Bank's assistance should be available to the student for the entire duration of the course subject to the student continuing to fulfil the eligibility criteria and he being allowed to keep the terms according to the rules of the University concerned. The student will not be required to submit a fresh application for loan every year but will only submit to the bank, proof of his continuing to fulfil the eligibility criteria).

Interest: The rate of interest charged under the scheme will in no event exceed of 12% per annum.

Security: The advances in this case will be on clean basis.

Repayment: Repayment will commence immediately after 2 years of completion of the course the student is studying in or six months after the student borrower has secured employment and starts earning whichever is earlier. Total period of repayment including the above period of two years or six months as the case may be, should not exceed 5 years from the date of completion of the course by student. A bond undertaking to repay the loan amount in the stipulated manner will have to be executed by the student (and in case the student is minor, by his father/mother or the guardian).

Review and Revision: The above scheme may be reviewed and revised from time to time by Reserve Bank of India, if necessary.

M.S. Verma Committee Report on Rehabilitation of Sick Banks

141. SHRI AMAR SINGH:
SMT. JAYAPRADA NAHATA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that M.S. Verma Committee in its report submitted to Government has suggested Rs. 5500 crore rehabilitation package for the sick banks;

(b) if so, the details thereof; and

(c) what action Government have taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) In its Report submitted